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**COMMUNITY SERVICE
ORGANIZATIONS
INSURANCE PROGRAM**

2007 to 09/01/2008 Policy Term

P.O. Box 1298, Sonoita, AZ 85637-1298
(520) 455-9358 Fax 800-859-2724 Toll Free
www.patriot-insurance.com

INTRODUCTION

This insurance program was first developed in 1991. Each year it serves to protect over 1500 non profit community service organizations across America. We have developed this program specifically for those organizations who endeavor to have a positive impact on their community. Our intent is to provide you with the best insurance coverage at the lowest possible premium. Doing so allows the dedicated work of your organization to persist unabated from the exposures which could temporarily slow your purpose.

If you are the president, treasurer or officer in charge of purchasing the insurance coverage for your organization, please take your time when reading each of the following pages. We have provided explanations of what this insurance program entails. You'll find loss control procedures and safety measures which can be incorporated into your activities. If at any time you are need of insurance advice or assistance please fell free to call.

Sincerely,

Patriot Insurance Agency, Inc.
(800) 859-2724

Program Coverages

This summary explains the general purpose of the insurance described, but in no way changes or affects the insurance afforded under such policy as actually issued. All coverages are subject to the actual policy conditions and exclusions. Each organization participating in the program will receive a Certificate of Insurance describing the exact coverage limits and benefits provided within the program master policy. Coverage is defined by the policy contract not this descriptive brochure.

“Master Policy”

Under this special program the General Liability, Fidelity Bond, and **(optional)** Directors and Officers Liability policies are written through a master policy program. This means:

1. Major cost savings to the Insurance Company since they only have to print One Master Policy. This greatly reduces their processing costs. The savings are passed on to you.
2. Individual Certificates (proof) of Insurance will be issued to you within one week of approval of your application.
3. You may have a copy of your **own** Policy Wording upon request. Please call for copies.
4. Program effective dates run from **September 1 to September 1** of each year. You may join at **any time**, but it benefits you to join early!

Three-Part Program

Includes:

1. Comprehensive General Liability*
2. Fidelity Bond/Volunteers Dishonesty Coverage
3. Directors and Officers Coverage (optional)**

* Under this program, our General Liability limit has a total individual limit of \$1,000,000. (One million dollars per organization!)

** Under this program, our Directors and Officers' limit has a total individual limit of \$1,000,000. (One million dollars per organization!) *Please call for an application.*

PART ONE

Comprehensive General Liability



**Only
\$375.00!**

- Each organization receives their own liability limit of \$1,000,000!
- Major Benefits Include:
 1. Special program rate greatly reduces cost
 2. Claims Made Basis
 3. \$2,500 deductible per claim.

Who is Covered?

Coverage is provided to officers, directors, committee members, employees and volunteers acting on or serving on behalf of the organization.

What is Covered?

Normal sponsored activities, meetings or events at a limit of \$1,000,000 Per Occurrence.

**Please see page 5 for the list of such events.*

For example:

- Bodily Injury to a third party who slips and falls whether **ON** or **OFF** your “premises” during a meeting or fund raising event, coverage is triggered when the fall is a result of your organization’s negligence.

This means that the liability insurance is **NOT** to be offered as medical coverage for a personal mishap to a volunteer. This coverage applies when your organization is negligent and is found to have contributed to the cause of the accident. If a volunteer was to fall as a result of their own negligence, then their own medical insurance needs to cover their injury.

In addition to Bodily Injury, Comprehensive General Liability covers Property Damage Liability and other coverages better explained within the actual policy wording. If your organization would like a copy of this policy wording please call our agency.

You **ARE** covered for these normal fund raising activities listed below:

- * Bazaars
- * Spring Flings
- * Skating Parties
- * Dinners
- * Parades/Floats
- * Graduation Parties
- * Car Washes
- * Walk-a-thons
- * Dances
- * Movies
- * Meetings
- * Book Fairs
- * Bake Sales
- * After Prom Parties
- * Dunk Tanks
- * Pony Rides

If a planned event is not listed above, or there is any question regarding the event qualifying for coverage, please call us at 1-800-859-2724 for approval.

Athletic Events

Coverage for athletic events and extended weekly tournaments, league play, camps or events involving contact sports are not covered. Coverage for camps or contact sports can be obtained through a separate policy by calling our agency.

The Serious Issue of Fund Raising

Our #1 most asked question:

Q: During our fund raising activities, who is liable if an accident occurs?

A: In trying to determine liability, ask yourself: Did our people organize this event? Do we control the activities? Are our Volunteers/Staff operating and *responsible* for the fund raising events or specific attraction? If so, then this Insurance Program's General Liability Policy would respond to bodily injury and/or property damage as a result of an accident caused by your negligence to any third party person or property.

BUT!

If an equipment company or vender is used to supply equipment or products, it is necessary to obtain proof of insurance coverage from that company or vendor. Be sure to get a Certificate of Insurance. Be careful not to sign a Hold Harmless Agreement releasing a supplier against defective equipment.

If you become aware of a claim, please call us immediately.

Covered Locations

Your organization may conduct activities anywhere within the state. You are not limited to school grounds or school district boundaries. Should you decide to venture out-of-state, please call us to discuss your activity and travel plans.

Additional Insureds

Your organization may be asked to name an organization as an additional insured. These organizations may ask to be added to your insurance policy and additionally ask to be held harmless for any liability. State, county, city and local school districts many times will require a certificate verifying the additional insured condition. We will accommodate this condition when the requesting organization reasonably limits this requirement to the negligent act of your organization only. What to be careful of is the requirement that broadly names another organization onto your organization's policy. This unreasonable request extends your coverage to any and all activities regardless of who was negligent. Our position is that if we caused or contributed to the accident as a fault of our negligence we will take responsibility, but if the organization requiring the certificate was negligent then their own insurance policy needs to be responsible.

Claims

If you become aware of a claim or pending action against your organization, please contact us immediately in order that we may help you to properly document and report the accident.

Exclusions

The organization insurance has several exclusions, which are more fully explained in the full policy. Those shown here are a few of the more frequently disclosed.

1. Owned or borrowed/rented automobiles, boats, motorhomes, aircraft or any motorized vehicle used for an organization's event or purpose are not covered.
2. Construction, renovation, rehabilitation projects and repairs made to real property. No coverage afford these types of activities, a special policy is required and can be obtained by calling us.
3. Worker's Compensation type claims as well as health and dental insurance related claims are not covered.
4. Other exclusions apply to this liability portion of your policy. The specific exclusion language and section of the policy should be reviewed if you decide a greater explanation or call us and we will discuss each with you.

PART TWO

Fidelity Bond/Volunteers Dishonesty Coverage



Who is Covered?

This coverage protects the organization against **theft** of money and securities by dishonest volunteers or officers. Additional limits of \$25,000, \$50,000 are available at special program rates. Higher limits are available please call us for the appropriate application.

Coverage applies to the dishonest acts of theft made by officers*, i.e., the President, Vice President, Secretary, Treasurer or Committee Chairpersons or those volunteers acting within their scope and duties on behalf of the organization.

What is Covered?

Each organization unit is covered up to a limit of \$10,000 for;

- | | | |
|--------------|---------------------|----------------|
| * Cash | * Checks | * Money Orders |
| * Securities | * Traveler's Checks | * Scrip |

When is Coverage Provided?

Dishonesty coverage protects your organization against loss of money or securities due to acts of theft, forgery, alteration, disappearance and desecration, whether inside or outside your premises.

Exclusions

Any loss resulting to property, inventory, spoilage of food, amusement or coin operated mechanical devices or machines, messenger service, delivery services, and criminal extortion are not covered. Additionally the policy language includes other exclusions as reflected in the actual policy.

PART THREE (Optional)

Directors and Officers Coverage

What is Covered?

Protection is provided up to \$1,000,000 per organization.

- Claims or allegations of:
 1. Errors in Management, Wrongful Acts
 2. Misrepresentation, Misleading Acts
 3. Dissemination of False or Misleading Information

Who is Covered?

Individual directors and officers serving as board members **and** those acting upon their directives, to include trustees, employees, executive board or community members and volunteers.

Exclusions

1. Known criminal, fraudulent, malicious or dishonest acts committed with knowingly wrongful intent.
2. Claims covered by the Comprehensive General Liability Policy specifically, Bodily Injury or Property Damage to a third party, as well as other coverage normally offered under the General Liability, Worker's Compensation or Fiduciary Bond Policy.
3. Health Insurance, Employee Benefit plans, Dental and Medical Insurance Programs or claim involving Security and Exchange Commission, ERISA Exposures or governmental grants.

In addition, the full policy language should be reviewed for other less asked about exclusions.

Claims

Should at any time you become aware of a claim or pending action against your organization Board please notify us immediately so that we may help mitigate the potential consequences, as well as assist you with the reporting requirements and forms.

Please contact our agency to obtain the application to begin the quotation process.